



**Steve Swanson**  
Director, Enterprise Fund Office

*Made up of six self-supporting organizations and one administrative office, the VA Enterprise Centers employ over 740 employees. VA is one of six federal agencies participating in the Franchise Fund Pilot Program authorized under the Government Management Reform Act (GMRA) of 1994. Established in 1997, the common administrative services provided by the VA Enterprise Centers were to be financed on a fee-for-service basis rather than through an appropriation.*

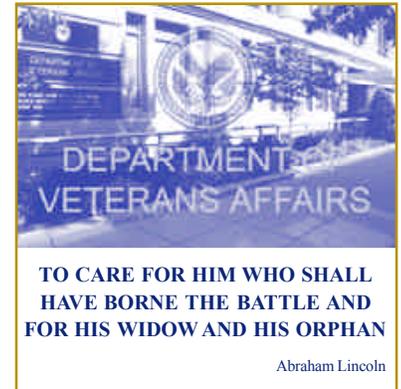
*Today, with the growing number of fee-for-service government activities, federal customers can exercise choice about what services to buy and where to buy them at competitive prices. Because services are no longer “free,” the federal community is becoming more fiscally aware and is demanding quality services. This has placed competitive pressure on us to increase efficiency, improve performance, and enhance value to maintain our existing customers and attract future ones.*

*As a full-service provider, we embrace the challenges of creating a customer-oriented environment where business plans, performance measures, financial stewardship, and competition are motivators of our performance.*

## At-A-Glance

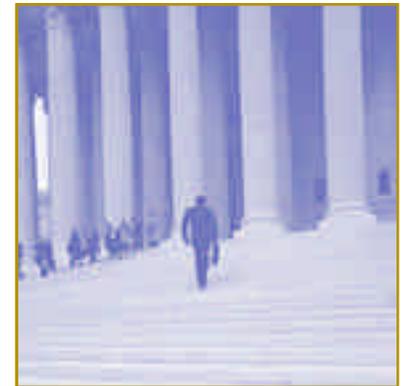
### Supporting VA’s Mission

The Enterprise Centers support VA’s mission by supplying common administrative services at competitive prices. We are able to do this by adopting more efficient business processes and increasing sales to new and existing customers. This conserves scarce VA resources by spreading fixed costs over a larger unit base. By doing so, VA can then devote more resources to its primary mission. As we successfully market our services to other federal agencies, we enable the programs in those agencies to derive similar benefits.



### Stakeholders

**External stakeholders include:** Veterans and their families, private sector vendors, the National Archives and Records Administration (NARA), Department of Agriculture (Agriculture), National Aeronautics and Space Administration (NASA), General Services Administration (GSA), Office of Management and Budget (OMB), Department of Defense (DOD), Department of Energy (DOE), Department of Labor (Labor), Department of Transportation (DOT), Department of the Treasury (Treasury), Securities and Exchange Commission (SEC), and other organizations within federal agencies.



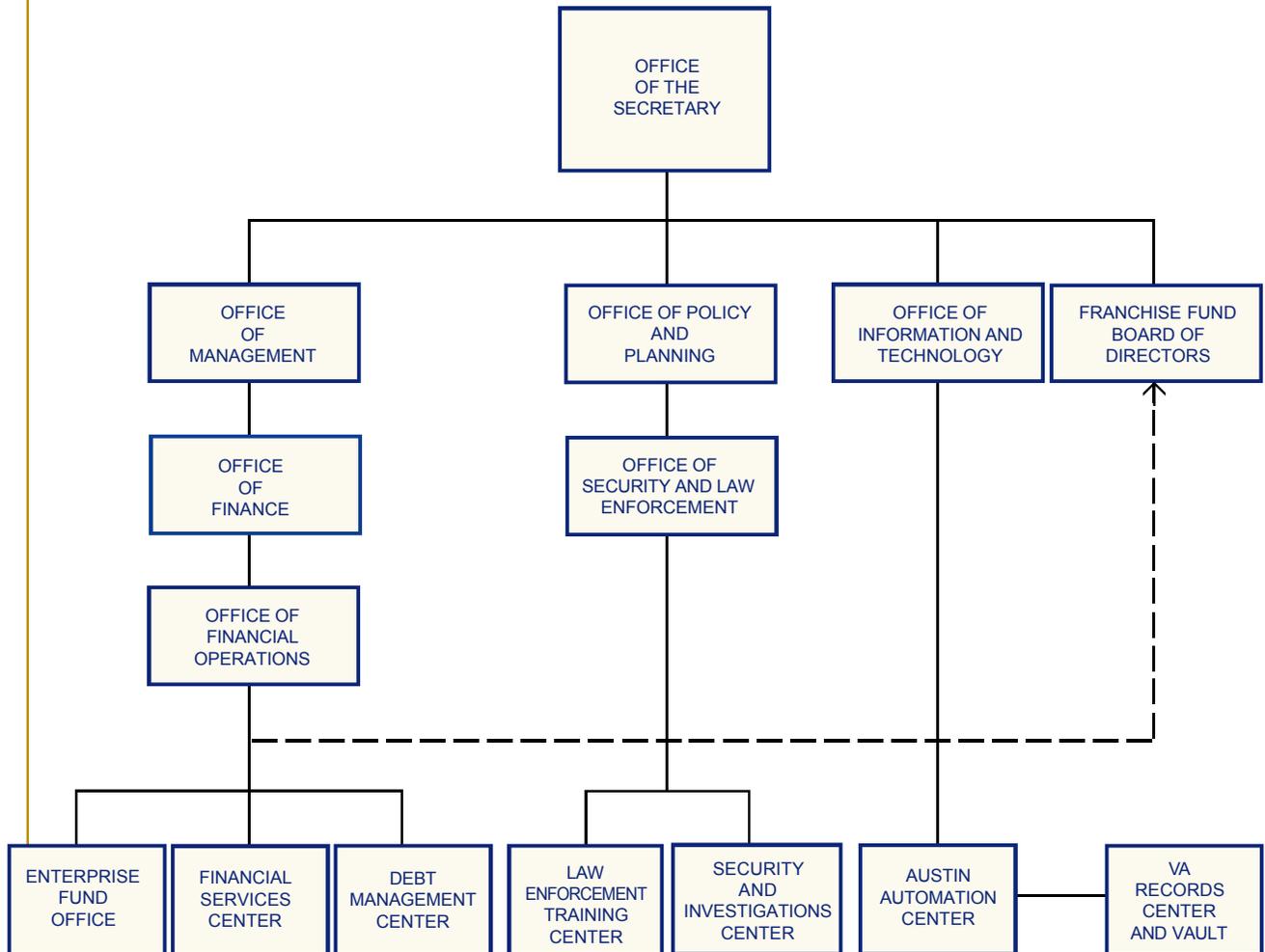
**Internal stakeholders include:** Veterans Health Administration (VHA), Veterans Benefits Administration (VBA), National Cemetery Administration (NCA), and staff offices within VA.

# Comprehensive Business Solutions for Today's Government

<b>Centers</b>	<b>Brief Descriptions</b>	<b>Products/Services</b>	<b>Locations</b>
 <p><b>Austin Automation Center (AAC)</b></p>	<p>Recognized award-winning data center, providing cost-efficient e-government solutions and enterprise “best practices.” In addition, the AAC supports over 100 customer applications that provide mission-critical data for financial management, payroll, human resources, logistics, medical records, eligibility benefits, and supply functions.</p>	<ul style="list-style-type: none"> <li>• Platform Hosting</li> <li>• Acquisition Services</li> <li>• Application Management</li> <li>• Total Information Assurance</li> <li>• Customer Business Continuity</li> <li>• Configuration Management</li> <li>• Data Conversion and Data Interfacing</li> </ul>	Austin, TX
 <p><b>Debt Management Center (DMC)</b></p>	<p>Leader in the federal debt community that oversees the entire collection process: making initial cold calls to debtors, negotiating repayment plans and administering automated recovery programs. It employs every collection tool available to federal agencies, including referrals to locator services, private collection agencies, and computer matching.</p>	<ul style="list-style-type: none"> <li>• Account Maintenance</li> <li>• Administrative Offset</li> <li>• Administrative Services</li> <li>• Predictive Dialer (Telephone Solicitation)</li> </ul>	St. Paul, MN
 <p><b>Financial Services Center (FSC)</b></p>	<p>Customer-focused provider of federal financial solutions and a complete suite of financial management services.</p>	<ul style="list-style-type: none"> <li>• Invoice and Payment Processing</li> <li>• Payroll Services</li> <li>• Financial Accounting/Reporting</li> <li>• Audit Recovery Services</li> <li>• Financial Consulting Services</li> <li>• Credit Card Processing</li> <li>• Travel Services</li> <li>• Document Management</li> <li>• Electronic Commerce/Electronic Data Interchange</li> <li>• Training</li> </ul>	Austin, TX
 <p><b>Law Enforcement Training Center (LETC)</b></p>	<p>Sole provider of a unique federal law enforcement training program that provides an alternative approach emphasizing nonviolent techniques to ensure the safety of patients, customers, and staff and maintains order in federal institutions. Its program is geared toward how to resolve incidents in a humane, respectful manner and to utilize law enforcement as a last resort.</p>	<ul style="list-style-type: none"> <li>• Basic Police Officer Training</li> <li>• Baton Instructor Training</li> <li>• Detective Training</li> <li>• Semi-Automatic Pistol Training</li> <li>• Administrative Investigations Training</li> <li>• Supervisory Officer Training</li> <li>• Self-Protection Training</li> <li>• Violence in the Workplace Training</li> <li>• Armorer Training</li> </ul>	Little Rock, AR
 <p><b>Security and Investigations Center (SIC)</b></p>	<p>Performs background investigations/ adjudications, fingerprint processing, and identification badge and access card design and production.</p>	<ul style="list-style-type: none"> <li>• Investigations/Adjudications</li> <li>• Fingerprint Processing</li> <li>• Identification Badge &amp; Access Card Design and Production</li> </ul>	Washington, DC
 <p><b>VA Records Center and Vault (VA RC&amp;V)</b></p>	<p>Highly secure, climate-controlled certified storage facility that houses short-term and long-term records and files.</p>	<ul style="list-style-type: none"> <li>• Records Storage</li> <li>• Retrieval Services</li> </ul>	Midwest

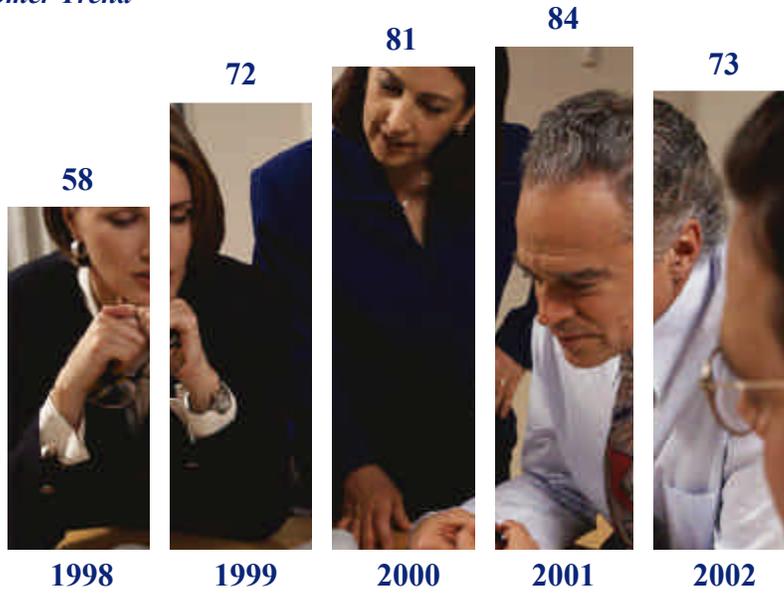
# At-A-Glance

## VA Enterprise Centers Organization Chart



**Revenue and Customer Trends**

*VA Franchise Fund Customer Trend  
As of September 30*



*VA Franchise Fund Revenue Trend  
As of September 30,  
(Dollars in Thousands)*



## At-A-Glance

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### FY 2002 Accomplishments

- Accomplished the live test of the AAC's business continuity planning disaster recovery procedures within defined timeframes. Testing was done remotely to ensure successful fail over of network connectivity, as well as the ability to reestablish systems and applications at the recovery site.
- Recognized by VA InfoSec2002 Conference as the Cyber Security Practitioner of the Year. This award recognized efforts over the past year to strengthen both physical and information security programs. These improvements, independently reviewed and verified by VA's Office of Inspector General audit teams, acknowledged the AAC's solid information security program, as well as ongoing efforts for improvement.
- Entered into a partnership agreement with VA's Office of Acquisition and Materiel Management to jointly provide acquisition services to VA and other government agency customers. As partners, the AAC is well positioned to help VA and other federal agencies acquire products and services for their programs on a project-by-project basis.
- Improved rate of return by 15 percent, from \$51.72 to \$59.56 at the DMC. Collections/offsets for FY 2002 totaled \$353 million compared to \$312 million for FY 2001, a 13 percent increase.
- Netted VA \$49.7 million in offsets as a result of referrals to the Treasury Offset Program and collected \$10.8 million on VA debts through the Department of the Treasury's cross-servicing program.
- Implemented a firearms training program in 45 VA medical centers.
- Completed an extensive construction project to make room for a new indoor firing range to enhance VA's law enforcement training program. The new facility houses a state-of-the-art 15-position firing range, an armory, weapons cleaning areas and classrooms.
- Reduced closure time of investigations—from 87 to 62 days—despite the dramatic increase in the volume of background investigations.
- Began transfer of VHA records from 14 NARA records centers throughout the United States to the VA RC&V. This initiative offers VHA the long-term benefit of millions of dollars in savings, as well as the benefit of having records stored at a centralized location.

- Served as the focal point for all VA external audit engagements, which led VA to their fourth unqualified “clean” audit opinion and the VA Franchise Fund to their fifth consecutive unqualified “clean” audit opinion.
- Realized a reduction in interest penalty payments—over 60 percent in VISN 22 (Southern California Healthcare System) and 77 percent in VA Central Office (Washington, DC) through expanded use of the Online Certification System.
- Collected over \$2.3 million—a 44 percent increase over FY 2001. Over \$1.4 million relates to unapplied credits and \$0.9 million relates to duplicate payments.
- Saved VA \$1.8 million by canceling duplicate payments before the Department of the Treasury actually made payment.
- Acquired a technological solution (FASMatch) which easily automates manual matching of deposits and disbursements; produces, manages, and reconciles the Statement of Transactions Report (SF-224); obtains data for customer billings; and provides a complete audit trail.
- Processed payroll for approximately 225,000 VA employees per pay period, resulting in gross salary payments of over \$3.85 billion.
- Processed 2.6 million transactions for purchase card holders, resulting in \$15.9 million in rebates.
- Processed 5.1 million vendor payments, totaling \$9.7 billion. Over 3.3 million payments were processed by electronic funds transfer, equating to \$6.5 billion.
- Processed 13,791 Permanent Change of Station (PCS) transactions, facilitated over 668 PCS moves, audited a statistical sample of 2,366 temporary duty travel vouchers for compliance with Federal Travel Regulations and Comptroller General and General Services Administration decisions, and issued prompt reimbursements to travelers.